

General Assembly

Raised Bill No. 1189

January Session, 2011

LCO No. 4441

*04441____GAE

Referred to Committee on Government Administration and Elections

Introduced by: (GAE)

AN ACT CONCERNING STATE CONTRACTING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 4-250 of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective from passage*):
- 3 As used in sections 4-250 to 4-252:
- 4 (1) "Gift" has the same meaning as provided in section 1-79, except
- 5 that the exclusion in subdivision (12) of subsection (e) of [said] section
- 6 1-79 for a gift for the celebration of a major life event shall not apply;
- 7 (2) "Quasi-public agency", "public official" and "state employee"
- 8 have the same meanings as provided in section 1-79;
- 9 (3) "State agency" means any office, department, board, council,
- 10 commission, institution or other agency in the executive, legislative or
- 11 judicial branch of state government;
- 12 (4) "Large state contract" means an agreement or a combination or
- 13 series of agreements between a state agency or a quasi-public agency

- 15 five hundred thousand dollars in a calendar or fiscal year, for (A) a
- 16 project for the construction, alteration or repair of any public building
- 17 or public work, (B) services, including, but not limited to, consulting
- and professional services, (C) the procurement of supplies, materials or
- 19 equipment, (D) a lease, or (E) a licensing arrangement. The term "large
- 20 state contract" [shall] does not include a contract between a state
- 21 agency or a quasi-public agency and a political subdivision of the state;
- 22 (5) "Principals and key personnel" means officers, directors, 23 shareholders, members, partners and managerial employees; and
- 24 (6) "Participated substantially" means participation that is direct, 25 extensive and substantive, and not peripheral, clerical or ministerial.
- Sec. 2. Section 4e-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- For the purposes of sections 4e-1 to 4e-47, inclusive:
- 29 (1) "Best value selection" means a contract selection process in which 30 the award of a contract is based on a combination of quality, timeliness 31 and cost factors;
- 32 (2) "Bid" means an offer, submitted in response to an invitation to 33 bid, to furnish supplies, materials, equipment, construction or 34 contractual services to a state contracting agency under prescribed 35 conditions at a stated price;
- 36 (3) "Bidder" means a business submitting a bid in response to an invitation to bid by a state contracting agency;
- 38 (4) "Business" means any individual or sole proprietorship, 39 partnership, firm, corporation, trust, limited liability company, limited 40 liability partnership, joint stock company, joint venture, association or 41 other legal entity through which business for profit or not-for-profit is 42 conducted;

- 43 (5) "Competitive bidding" means the submission of prices by a 44 business competing for a contract to provide supplies, materials, 45 equipment or contractual services to a state contracting agency, under 46 a procedure in which the contracting authority does not negotiate 47 prices, as set forth in any provisions of the general statutes and 48 regulations concerning procurement;
 - (6) "Consultant" means (A) any architect, professional engineer, landscape architect, land surveyor, accountant, interior designer, environmental professional or construction administrator, who is registered or licensed to practice such person's profession in accordance with the applicable provisions of the general statutes, (B) any planner or any environmental, management or financial specialist, or (C) any person who performs professional work in areas including, but not limited to, educational services, medical services, information technology and real estate appraisal;
- (7) "Consultant services" means those professional services rendered 58 by a consultant and any incidental services that a consultant and those 59 60 in the consultant's employ are authorized to perform;
- 61 (8) "Contract" or "state contract" means an agreement or a combination or series of agreements between a state contracting 62 63 agency or quasi-public agency and a business for:
- 64 (A) A project for the construction, reconstruction, alteration, 65 remodeling, repair or demolition of any public building, public work, 66 mass transit, rail station, parking garage, rail track or airport;
- 67 (B) Services, including, but not limited to, consultant and 68 professional services;
- 69 (C) The acquisition or disposition of personal property;
- 70 (D) The provision of goods and services, including, but not limited 71 to, the use of purchase of services contracts and personal service 72 agreements;

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- 73 The provision of information technology, state agency 74 information system or telecommunication system facilities, equipment 75 or services;
- 76 (F) A lease; or

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- 77 (G) A licensing agreement;
- 78 "Contract" or "state contract" does not include a contract between a 79 state agency or a quasi-public agency and a political subdivision of the 80 state;
- 81 (9) "Term contract" means the agreement reached when the state 82 accepts a bid or proposal to furnish supplies, materials, equipment or 83 contractual services at a stated price for a specific period of time in 84 response to an invitation to bid;
 - (10) "Contract risk assessment" means (A) the identification and evaluation of loss exposures and risks, including, but not limited to, business and legal risks associated with the contracting process and the contracted goods and services, and (B) the identification, evaluation and implementation of measures available to minimize potential loss exposures and risks;
 - (11) "Contractor" means any business that is awarded, or is a subcontractor under, a contract or an amendment to a contract with a state contracting agency under the applicable provisions of the general statutes and regulations concerning procurement, including, but not limited to, a small contractor, minority business enterprise, an individual with a disability, as defined in section 4a-60, or an organization providing products and services by persons with disabilities:
- 99 (12) "Contractual services" means the furnishing of labor by a 100 contractor, not involving the delivery of a specific end product other 101 than reports, which are merely incidental to the required performance 102 and includes any and all laundry and cleaning service, pest control

103 service, janitorial service, security service, the rental and repair, or 104 maintenance, of equipment, machinery and other state-owned 105 personal property, advertising and photostating, mimeographing, 106 human services and other service arrangements where the services are provided by persons other than state employees. "Contractual services" 107 108 includes the design, development and implementation of technology, 109 communications or telecommunications systems or the infrastructure 110 pertaining thereto, including hardware and software and services for 111 which a contractor is conferred a benefit by the state, whether or not 112 compensated by the state. "Contractual services" does not include 113 employment agreements or collective bargaining agreements;

- 114 (13) "Data" means recorded information, regardless of form or 115 characteristic;
- 116 (14) "Vote of two-thirds of the members of the board present and voting" means a vote by the State Contracting Standards Board that is agreed upon by two-thirds of the members of the State Contracting Standards Board present and voting for a particular purpose and that includes the vote of one member of the board appointed by a legislative leader;
- 122 (15) "Electronic" means electrical, digital, magnetic, optical, 123 electromagnetic, or any other similar technology;
 - (16) "Emergency procurement" means procurement by a state contracting agency, quasi-public agency, as defined in section 1-120, judicial department or constituent unit of higher education that is made necessary by a sudden, unexpected occurrence that poses a clear and imminent danger to public safety or requires immediate action to prevent or mitigate the loss or impairment of life, health, property or essential public services or in response to a court order, settlement agreement or other similar legal judgment;
- 132 (17) "Equipment" means personal property of a durable nature that 133 retains its identity throughout its useful life;

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- 134 (18) "Materials" means items required to perform a function or used 135 in a manufacturing process, particularly those incorporated into an 136 end product or consumed in its manufacture;
- (19) "Nonprofit agency" means any organization that is not a forprofit business under 501(c)(3) of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended, makes no distribution to its members, directors or officers and provides services contracted for by (A) the state, or (B) a nonstate entity;
 - (20) "Professional services" means any type of service to the public that requires that members of a profession rendering such service obtain a license or other legal authorization as a condition precedent to the rendition thereof, including, but not limited to, the professional services of architects, professional engineers, or jointly by architects and professional engineers, landscape architects, certified public accountants and public accountants, land surveyors, attorneys-at-law, psychologists, licensed marital and family therapists, licensed professional counselors and licensed clinical social workers as well as such other professional services described in section 33-182a;
 - (21) "Privatization contract" means an agreement or series of agreements between a state contracting agency and a person or entity in which such person or entity agrees to provide services that are substantially similar to and in lieu of services provided, in whole or in part, by state employees, other than contracts with a nonprofit agency, which are in effect as of January 1, 2009, and which through a renewal, modification, extension or rebidding of contracts continue to be provided by a nonprofit agency;
 - (22) "Procurement" means contracting for, buying, purchasing, renting, leasing or otherwise acquiring or disposing of, any supplies, services, including but not limited to, contracts for purchase of services and personal service agreements, interest in real property, or construction, and includes all government functions that relate to such

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- activities, including best value selection and qualification based selection;
- 168 (23) "Proposer" means a business submitting a proposal to a state 169 contracting agency in response to a request for proposals or other 170 competitive sealed proposal;
- 171 (24) "Public record" means a public record, as defined in section 1-172 200;
- 173 (25) "Qualification based selection" means a contract selection 174 process in which the award of a contract is primarily based on an 175 assessment of contractor qualifications and on the negotiation of a fair 176 and reasonable price;
- 177 (26) "Regulation" means regulation, as defined in section 4-166;
- 178 (27) "Request for proposals" means all documents, whether attached 179 or incorporated by reference, utilized for soliciting proposals;
- 180 (28) "State contracting agency" means any executive branch agency, 181 board, commission, department, office, institution or council. "State 182 contracting agency" does not include the judicial branch, the legislative 183 branch, the offices of the Secretary of the State, the State Comptroller, 184 the Attorney General, the State Treasurer, with respect to their 185 constitutional functions, any state agency with respect to contracts 186 specific to the constitutional and statutory functions of the office of the 187 State Treasurer. For the purposes of section 4e-16, state contracting 188 agency includes any constituent unit of the state system of higher 189 education;
- 190 (29) "Subcontractor" means a subcontractor of a contractor for work 191 under a contract or an amendment to a contract;
- 192 (30) "Supplies" means any and all articles of personal property, 193 including, but not limited to, equipment, materials, printing, insurance 194 and leases of real property, excluding land or a permanent interest in

195 land furnished to or used by any state agency;

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(31) "Infrastructure facility" means a building, structure or network of buildings, structures, pipes, controls and equipment that provide transportation, utilities, public education or public safety services. Infrastructure facility includes government office buildings, public schools, jails, water treatment plants, distribution systems and pumping stations, wastewater treatment plants, collections systems and pumping stations, solid waste disposal plants, incinerators, landfills, and related facilities, public roads and streets, highways, public parking facilities, public transportation systems, terminals and rolling stock, rail, air and water port structures, terminals and equipment; and

207 (32) "State employee" means state employee, as defined in section 5-208 154 and, for purposes of section 4e-16, state employee includes an 209 employee of any state contracting agency.

This act sh sections:	all take effect as follov	s and shall amend the following
Section 1	from passage	4-250
Sec. 2	from passage	4e-1

Statement of Purpose:

To make technical changes to provisions of the general statutes concerning state contracting.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]